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Lowden's politics called revised

Supporters say she blocked new taxes

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As a U.S. Senate candidate, Sue Lowden signed a pledge to oppose "any and all tax" increases. As a Republican party official, she denounced mandatory fees as "a tax by another name."

But as a state senator 17 years ago, Lowden voted to impose taxes and fees on things from slot machines to water distribution. She also voted for changes to an employment tax that increased revenue an estimated \$7.9 million, a vote her campaign now says wasn't a tax increase but a "matter of fairness."

It's a contrast that Danny Tarkanian, her leading opponent in the Republican primary to challenge Sen. Harry Reid, D-Nev., is seizing upon to paint Lowden as a politician whose views change with the wind.

"Obviously she isn't completely against tax increases," Tarkanian said. "She has voted for some."

Lowden's campaign says Tarkanian uses isolated votes affecting relatively small amounts of money to distort her overall record, which is widely known to be that of a fiscal conservative.

"She was able to stop about 90 percent of the taxes and fees that were requested" during her legislative tenure, said Lowden consultant Robert Uithoven.

"If our primary opponents want to nitpick at the 10 percent, have at it. I would just say, where were they?" he continued, a not-so-veiled reference to Tarkanian, who has twice run unsuccessfully for state office.

Winning the rhetorical war over taxes is critical to success in a Republican primary with at least six candidates seeking to define themselves as hard-line anti-taxers. The risk is the fight becomes so bloody the victor may be too wounded to compete against Reid, who expects to spend as much as \$25 million to retain his seat.

A likely scenario is "the winner out of this primary is so damaged ... that Harry Reid goes from being vilified as the dealmaker to 'he seems sensible to me'," said Eric Herzik, political science professor at the University of Nevada, Reno.

Lowden, a former Las Vegas television reporter and anchor and co-owner of a casino company, slams Reid on her Web site for using "the tax code to pick winners and losers."

She made a campaign cornerstone her signing the Americans for Tax Reform Taxpayer Protection Pledge to oppose "any and all" tax increases.

And it was in a Jan. 14, 2009, letter to Republican legislators that Lowden, then chairwoman of the state Republican Party, characterized mandatory fees as "a tax by another name."

Yet several times in 1993, during her first session in the Legislature, Lowden voted to impose higher taxes or fees on everything from limited liability corporations to water distribution to slot machines.

"It is very rare to find someone who actually has never voted for a tax increase," said Geoff Lawrence, fiscal policy analyst for the conservative Nevada Policy Research Institute. "Ronald Reagan, for example, originally was a Democrat and not as interested in things like taxpayer protection."

Lawrence, who reviewed descriptions of the bills in question from the Nevada Legislative Appropriations Report, said at least four of the bills Lowden voted for could be clearly classified as either a tax increase or imposition of a fee that's akin to a tax.

They included Assembly Bill 387, which increased fees collected by the Secretary of State from limited liability companies, estimated to raise \$350,000 over two years; Senate Bill 422, which increased fees and penalties related to real estate licenses and renewals, estimated to raise \$458,000 over a two-year period; Assembly Bill 314, an increase in fees assessed by the state engineer for activities related to water distribution estimated to raise \$807,000 per year for the general fund; and Assembly Bill 786, a tax increase of \$16 per quarter on restricted slot machines, estimated to raise \$991,000 per year for the general fund.

Lawrence characterized Assembly Bill 394, a bill that lifted a business tax cap on seven major corporations, including six gambling companies, and restructured the tax so all companies would pay \$100 per employee, per year, as "a higher burden that will fall on large businesses" but not a new tax.

The change was estimated to yield \$7.9 million for the general fund over two years.

Tarkanian said AB 394 is the bill he found most objectionable.

"The incentive then is for employers to hire less employees. That's not a real common sense proposal," he said.

Asked whether it was realistic to be against all taxes, Tarkanian said, "Tax increases, sure. We are taxing the citizens of our country way too much right now."

Uithoven defended Lowden, saying the votes in question were minor and that they pale in comparison to the taxes she opposed and cost-cutting measures she supported.

The slot tax, for example, was estimated to generate less than \$1 million, much smaller than the \$7 million per year in revenue that then-Gov. Bob Miller was seeking to raise with the tax.

Uithoven said Lowden's mere presence in 1993 prevented untold millions of dollars in new taxes.

That's because her upset victory over then-Senate majority leader Jack Vergiels tipped the Senate to Republican control and undermined any chance Miller could continue the policy trajectory that earned him an "F" on a fiscal report card from the anti-tax, pro-small government Cato Institute.

"The fact she had the guts to go up against him (Vergiels) and shift the power of the Senate ended up saving the taxpayers significant amounts of money," Uithoven said.

Lowden's record from her second session in 1995, when she was chairwoman of the Senate taxation committee, appears to hew closer to her current anti-tax rhetoric.

She supported a measure to require each house of the Legislature to hold two floor votes when seeking to impose or raise taxes and opposed what news accounts called an \$8.7 million pork bill

supported by finance committee chairman Sen. Bill Raggio.

"She prevented hearings on tax bills, essentially shutting the committee down to any legislation to raise taxes," Uithoven said.

Retired state archivist Guy Rocha said he's not surprised the legislative record from 1993 would differ from the rhetoric of today.

Rocha said the political environment today is more puritanical when it comes to matters of taxation.

In the early 1990s, ideas such as those promoted by Grover Norquist's Americans for Tax Reform were just beginning to take hold. "The anti-tax mentality was just starting to emerge," Rocha said. "It didn't have the play it does today."

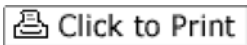
Presenting a record with less nuance than the reality of the past is typical of politics, he said.

"It can be about liberals, it can be about conservatives," Rocha said. "It is typical politicians. They reinvent themselves, they do a little cleansing of the past. They rewrite it to an extent."

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